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Office Memorandum • UNITED STATES GOVERNMENT

TO : Chief, Security Branch

DATE: 23 August 1949

FROM : Security Research Section

SUBJECT: Security and Co-ordination Among Intelligence Agencies in the Field.

During a recent trip through Germany and Austria, numerous opportunities for observation brought to light a situation involving a dangerous lack of adequate security and proper co-ordination among the majority of intelligence gathering agencies in the field.

It was very encouraging to find that the field representatives of our own organization surpassed, by far, all other agencies in conjunction with appropriate security measures. After overhearing unsolicited remarks concerning S. O. Field operations, it is obvious that this is the unanimous opinion of the working personnel of the other agencies engaged in similar work.

Unfortunately, among the majority of the agencies, other than our own, both the physical and personnel security is inexcusably neglected. The physical aspect is one that could be corrected locally when proper incentive is stimulated or when stern directives are issued by those in a position of authority. The personnel security problem is, on the other hand, one which is not entirely the fault of the agency involved. Although there is extremely poor co-ordination among the twenty-three odd collection agencies in the field, the main disadvantage seems to be a lack of knowledge of modern security validation systems, and the lack of equipment to carry out a program involving such systems.

Among most of the organizations, the clearance of American personnel working for them is inexcusably lax. Many of the employees are of dubious foreign extraction and still have relatives residing under unfriendly influence behind the Iron Curtain. The clearance of foreign personnel working for the various United States agencies is even more inadequate. As far as can be determined by the many inquiries made, the only clearance given in numerous cases was one by the Provost Marshall, who had neither the necessary experience nor facilities to conduct a proper security clearance program. The loyalty of many of these foreign employees is extremely questionable. With a great number, there is absolutely no motive for, and no reason to believe, that there exists a loyalty to the United States. With many individuals, it can be safely assumed that loyalty to the United States is strictly secondary to their loyalty to Germany. It would seem that these persons, who are now working in extremely sensitive areas among various agencies, should be carefully processed by every modern means known to security officials.

Throughout the majority of the agencies, there are extremely disorganized and inefficient systems for establishing a security validation of the sources of information. There appears to be little or no determination of motive among the informants and disburters. These motives fall in one or more categories, such as:

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- a. An enemy agent representing the interest of an unfriendly country.
- b. A double agent actually loyal to an unfriendly country.
- c. A professional agent selling the same information to any country.
- d. Confusion agents for the purpose of monopolizing the funds and personnel of agencies utilizing them.
- e. The psychopathic informant desiring only continual attention and giving fictitious information.
- f. The opportunist type informant who sells the same information to several different allied countries and to several different agencies within those countries.
- g. A sincere informant who is attempting to allow his information to be used for the greatest benefit of the various United States agencies.

The present procedure for determining the type of informant being dealt with is extremely inadequate. Many times an informant or apparent deserter is handled in such a way that he might very successfully operate to the benefit of an unfriendly power. On many occasions, he is allowed to be exposed to highly classified physical areas and information which greatly expedites his mission if he is operating as a double or professional agent. Numerous examples were observed where confusion agents and psychopathic informants were monopolizing an amazing amount of confidential funds and an enormous amount of time of key personnel in the various agencies. Numerous cases were also observed where an opportunist source was giving the same information to four or five different agencies. Due to a nearly complete lack of co-ordination between these agencies, the final publication of the information involved was considered verified from four or five different sources, although actually coming from the one informant involved. The danger of such false verification practices as these is readily apparent.

One of the most unfortunate aspects of the entire situation is the extreme injustice to the sincere informant. In numerous cases, an informant or Russian deserter is given VIP treatment by an agency in Berlin, partially exploited, and then sent to another agency in the American Zone of Germany where he is locked in solitary confinement for months pending a decision concerning the existence of a security risk. By the time the person is actually exploited, his morale is so bad that he is extremely uncooperative.

During the recent tour, a security validation service was provided solely as an unofficial favor to agencies who desired it. In several different cases, situations that had been lingering unresolved for months were cleared up in a half or day of processing by techniques involving modern interrogation aids, both mechanical and medical. At the termination of the tour, the unanimous

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request from all agencies concerned was that such a service be made permanent for the utilization of all agencies operating in Germany and Austria. These requests came from such individuals as General Hill in Berlin, Colonel Partridge in Heidelberg, Colonel Thoroughman (Commanding Officer of European Command Intelligence Center), from the S. O. Theatre Command, and many other individuals representing intelligence operations in both Germany and Austria.

This service could be established by one of two methods. It could be expected that each agency involved train their own personnel and procure their own equipment. For many reasons, including the lack of qualified personnel and the lack of equipment procuring channels, it would seem that this solution would not be practical. The other solution would be for CIA, in their capacity as an intelligence co-ordinating organization, to establish and maintain a security validation service to be offered to, and utilized by any organization engaged in the collection of intelligence in that theatre. Suggested details concerning the establishing and maintaining of such a service are covered in a separate report.

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